

## Message Text

SECRET

PAGE 01 THE HA 01796 01 OF 04 091650Z

72

ACTION EUR-12

INFO OCT-01 ARA-06 ISO-00 SP-02 MMS-01 PER-01 /023 W

----- 056286

P R 091533Z APR 75

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC PRIORITY 5641

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY PARIS

AMEMBASSY LUXEMBOURG

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY ROME

USMISSION NATO

USMISSION USEC BRUSSELS

AMCONSUL PARAMARIBO

AMCONSUL CURACAO

S E C R E T SECTION 1 OF 4 THE HAGUE 1796

E.O. 11652: GDS

TAGS: OGEN, NL

SUBJ: ANNUAL POLICY ASSESSMENT, NETHERLANDS

1. BEGIN SUMMARY: THE OVERALL STATE OF OUR RELATIONS WITH THE NETHERLANDS IS GOOD, AND THE PROSPECTS ARE FOR CONTINUATION OF OUR GENERALLY CLOSE AND PRODUCTIVE RELATIONSHIP SAVE FOR CERTAIN THIRD-WORLD ISSUES OVER WHICH WE CAN EXPECT TO REMAIN AT ODDS WITH THE DUTCH. HOWEVER, FOR THE FIRST TIME IN SEVERAL YEARS, RELATIONS HAVE BEEN DISTURBED BY A PURELY BILATERAL MATTER, CIVIL AIR, WHICH BEGAN LAST SEPTEMBER WHEN THE UNITED STATES TABLED A DEMAND FOR A SEVERE REDUCTION IN KLM TRANSATLANTIC FREQUENCIES. WHILE THE NEGOTIATING GAP HAS BEEN NARROWED CONSIDERABLY, STRAINS AND COUNTER PRESSURES IN THE US-DUTCH RELATIONS WILL CONTINUE UNTIL THIS DISPUTE IS RESOLVED WITHOUT RANCOR, WHICH WE RECOMMEND. THE ONLY OTHER MAJOR ISSUE IN OUR BILATERAL RELATIONSHIP IS THE

SECRET

SECRET

PAGE 02 THE HA 01796 01 OF 04 091650Z

SELECTION BY THE DUTCH OF A REPLACEMENT AIRCRAFT FOR

THEIR F-104S--WHERE WE HAVE BEEN MAKING A MAJOR EFFORT TO SELL THEM THE F-16. A DUTCH SELECTION OF THE DASSAULT MIRAGE F-1 IN THE FACE OF THE ADMITTED MILITARY AND ECONOMIC SUPERIORITY OF THE F-16 WOULD HAVE A PREDICTABLY ADVERSE EFFECT ON US-DUTCH RELATIONS, WOULD PRESAGE A WATERING DOWN OF THE NETHERLANDS' INTEGRAL MILITARY CONNECTION WITH NATO, AND COULD INDIRECTLY DIMINISH THE US COMMITMENT OT NATO AS WELL, SHOULD CONGRESS TAKE EXCEPTION TO A BUY-FRENCH DECISION BY THE DUTCH.

2. DUTCH PERFORMANCE IN THE MULTILATERAL POLITICAL FIELD HAS RANGED FROM MAXIMUM SUPPORT FOR US POLICIES TO CONCEPTUAL AND PRACTICAL OPPOSITION. ON THE POSITIVE SIDE, THE NETHERLANDS HAS GIVEN STRONG AND CONSISTENT SUPPORT FOR OUR EFFORTS TO PROMOTE A MIDDLE-EAST SETTLEMENT. THEY CONCUR IN THE NEED FOR MORE EFFECTIVE CONSULTATIONS AND COOPERATION BETWEEN THE UNITED STATES AND EC-NINE. WE ARE PULLING TOGETHER ON PORTUGAL, WHERE THE GON HAS A SPECIAL INTEREST BECAUSE OF SOCIALIST PARTY CONNECTIONS. THE DUTCH HAVE ALSO BEEN WITH US FROM THE START OF THE ENERGY CRISIS AND ARE PLAYING A HELPFUL ROLE IN THE IEA. THANKS IN LARGE PART TO FONMIN VAN DER STOEL'S COURAGEOUS, UNWAVERING POSITION, THE NETHERLANDS HAS MAINTAINED ITS STRONG POLITICAL COMMITMENT TO NATO DESPITE WELL-PUBLICIZED ATTEMPTS BY THE LEFT WING OF HIS OWN LABOR PARTY AND OTHER IDEOLOGICAL EXTREMISTS TO ATTACH CONDITIONS TO THE NETHERLANDS' NATO MEMBERSHIP. IN THE MILITARY SPHERE, HOWEVER, THE DUTCH HAVE BEEN LESS SUPPORTIVE OF NATO AS ILLUSTRATED BY THEIR DECISION TO REDUCE GROUND FORCES AND NAVY COMMITMENTS PURSUANT TO THE 1974-79 DEFENSE WHITE PAPER AND THE GON'S UNWILLINGNESS TO PURCHASE THE NUCLEAR VERSION OF THE LANCE MISSILE, REFLECTIVE OF THE NUCLEAR NEUROSIS WHICH AFFECTS LARGE SEGMENTS OF THE PARLIAMENT AND THE POPULATION AT LARGE. ON THE OTHER HAND, THE US MILITARY SALES PROGRAM HAS PROCEEDED VIGOROUSLY. IN ADDITION TO THE F-16 REPLACEMENT FIGHTER, THE OUTLOOK IS GOOD FOR THE SALE IN THE NEAR FUTURE OF

SECRET

SECRET

PAGE 03 THE HA 01796 01 OF 04 091650Z

THE P-3 ORION LONG-RANGE NAVAL RECONNAISSANCE AIRCRAFT AND THE FMC ARMORED INFANTRY FIGHTING VEHICLE.

3. ON THE NEGATIVE SIDE HAVE BEEN DUTCH POLICIES ON MANY THIRD-WORLD MATTERS. THEY HAVE SPLIT WITH US ON SEVERAL MAJOR ISSUES BEFORE U.N. AGENCIES OR OTHER INTERNATIONAL FORA, E.G., CHARTER OF ECONOMIC RIGHTS AND DUTIES, OBSERVER STATUS FOR THE PRG, CHILE DEBT

RESCHEDULING, AND THE UNIDO II RESOLUTION. ON THESE AND SIMILAR ISSUES THE GON GIVES ABSOLUTE PRIORITY TO ITS SPECIAL INTERPRETATION OF HUMAN RIGHTS AND HUMANITARIAN CRITERIA AND FEELS A COMPULSION TO INTRODUCE POLITICAL FACTORS INTO QUESTIONS WHICH ARE NORMALLY HANDLED ON AN ECONOMIC OR FINANCIAL BASIS. THE NETHERLANDS, CONTRARY TO US VIEW, BELIEVES THAT A POSITIVE VOTE ON RESOLUTIONS THAT ARE NOT ENTIRELY ACCEPTABLE CREATES NO UNMANAGEABLE PROBLEM SO LONG AS RESERVATIONS ARE STATED FOR THE RECORD. THE THIRD-WORLD POLICIES OF THE NETHERLANDS, HOWEVER, MAY BECOME SOMEWHAT MORE FLEXIBLE AND ACCOMMODATING IF THE MAN WHO INSPIRES THEM, DEVELOPMENT AID MINISTER PRONK, SHOULD FOR PERSONAL REASONS RESIGN WHICH APPEARS A POSSIBILITY.

4. THE ECONOMIC SIDE OF OUR RELATIONS WITH THE NETHERLANDS CONTINUES TO FLOURISH IN EVERY MAJOR AREA: US EXPORTS TO THE NETHERLANDS, WHICH REACHED AN ALL-TIME HIGH IN 1974; GROWING REVESE INVESTMENT; TOURISM TO THE UNITED STATES; AND EFFECTIVE DUTCH SUPPORT AND COOPERATION IN THE INTERNATIONAL ENERGY AGENCY. NO POLICY PROBLEMS HAVE ARISEN AND THE DUTCH HAVE SHOWN THEIR CUSTOMARY REALISTIC APPROACH AND WILLINGNESS TO COMPROMISE ON THE OCCASIONAL OPERATIONAL PROBLEMS.

5. OUR EFFORTS TO INDUCE A MORE VIGOROUS DUTCH ATTITUDE TOWARD HARD DRUG ABUSE IS BEGINNING TO SHOW SOME RESULTS DESPITE THE GENERALLY PERMISSIVE ATTITUDE OF PARLIAMENT AND THE DUTCH PEOPLE. THE MOST IMPORTANT POSITIVE DEVELOPMENT WAS THE US VISIT OF THE MINISTER OF JUSTICE WHICH FORTIFIED HIS DETERMINATION TO STRENGTHEN AND EXPAND OFFICIAL ENFORCEMENT AND CONTROL ACTIVITIES IN THE

SECRET

SECRET

PAGE 04 THE HA 01796 01 OF 04 091650Z

NETHERLANDS. ALSO, A DEA IN-COUNTRY TRAINING PROGRAM WILL BE HELD SHORTLY FOR POLICE OFFICIALS. FURTHERMORE, THE PRESS HAS BEGUN TO PUBLICIZE THE GROWING ADDICTION PROBLEM IN THE NETHERLANDS AND THE DUTCH CONNECTION WITH INTERNATIONAL TRAFFICKING. NONETHELESS, THERE HAS BEEN AN INCREASE IN THE TRAFFICKING OF HEROIN THROUGHT HE NETHERLANDS TO THE UNITED STATES, AND AS YET NO MAJOR IMPROVEMENT IN SIZE NOR MORALE OF ANTI-DRUG FORCES. THERE WILL BE NO OVERNIGHT SOLUTION TO THE NARCOTICS PROBLEM BUT IN GENERAL PROSPECTS ARE IMPROVING.

6. THIS HAS BEEN A MIXED YAR FOR THE UNITED STATES IN DUTCH PUBLIC OPINION. ON THE ONE HAND, WE HAVE BEEN AND CONTINUE TO BE CRITICIZED FOR WHAT ALL SEGMENTS OF POPULAR THOUGHT CONSIDER TO BE UNFAIR AND HEAVY-HANDED

ATTEMPTS TO CRIPPLE LKM. ALLEGED CIA INVOLVEMENT IN CHILE HAS GIVEN PRETEXT FOR ANTI-AMERICAN OUTBURSTS IN THE LEFT-WING MEDIA AND DEEPLY HELD CONCERNS BY INFLUENTIAL PERSONS INCLUDING CABINET MINISTERS. ON THE OTHER HAND, WE HAVE PROFITED BY OUR CONSTRUCTIVE AND PERSISTENT EFFORTS TO BRING ABOUT A MIDDLE EAST SETTLEMENT. WATERGATE, GREECE AND PORTUGAL ARE ALL BEHIND US. THOUGH A WASTING ASSET, THERE STILL REMAINS A RESORVOIR OF TRUST AND GOOD WILL FOR THE UNITED STATES AMONG THE WORLD WAR II GENERATION.

7. THE DEN UYL GOVERNMENT, NOW IN OFFICE FOR TWO YEARS, HAS SUFFERED SOME LOSS OF POPULARITY AND DRIVE BUT GENERALLY HAS THE AFFAIRS OF THE COUNTRY FIRMLY IN HAND. THERE IS NO SERIOUS PROSPECT FOR A SIGNIFICANT CHANGE IN ITS MAJOR POLICIES. WERE THE PRESENT FIVE-PARTY COALITION TO BREAK UP IN THE NEAR FUTURE, CONTRARY TO EXPECTATIONS, AND NEW ELECTIONS ENSUED, THE PROSPECTS WOULD BE FOR A MORE LEFT-ORIENTED GOVERNMENT WITH SOME POTENTIALLY ADVERSE CONSEQUENCES TO US INTERESTS.

8. IN SHORT, DUTCH POLICIES RUN PARALLEL TO OURS IN ALMOST ALL AREAS OF MAJOR IMPORTANCE. TO MAKE GREATEST USE OF OUR RELATIONSHIP WITH THE DUTCH WE SHOULD BE

SECRET

NNN

SECRET

PAGE 01 THE HA 01796 02 OF 04 091801Z

72

ACTION EUR-12

INFO OCT-01 ARA-06 ISO-00 SP-02 MMS-01 PER-01 /023 W

----- 057593

P R 091533Z APR 75

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC PRIORITY 5642

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY PARIS

AMEMBASSY LUXEMBOURG

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION NATO

AMCONSUL PARAMARIBO UNN  
AMCONSUL CURACAO UNN

S E C R E T SECTION 2 OF 4 THE HAGUE 1796

CAREFUL NOT TO OVERLOOK THEM OR TAKE THEM FOR GRANTED--  
THEY ARE PARTICULARLY SENSITIVE TO REAL OR IMAGINED  
SLIGHTS. WE MUST MAKE SURE THAT THE CIVAIR ISSUE IS  
RESOLVED WITHOUT RANCOR, AND WE SHOULD CONTINUE TO  
ENCOURAGE A TWO-WAY FLOW ACROSS THE ATLANTIC OF TOP  
GOVERNMENT AND PARLIAMENTARY LEADERS. WHERE GON VIEWS  
AND OURS DIFFER--AS FOR EXAMPLE ON THIRD-WORLD ISSUES--  
SINCE THEIRS ARE NOT LIKELY TO CHANGE IN THE SHORT RUN,  
IT IS BEST TO APPROACH THEM WITH QUIET ARGUMENT AND  
NOT TO REPROACH THEM, FOR THEIR VIEWS ARE PROFOUNDLY  
HELD. WHERE GON VIEWS AND OURS COINCIDE WE SHOULD  
NOT BE HESITANT TO ENCOURAGE THEM TO SHOW LEADERSHIP,  
ESPECIALLY WITH EC PARTNERS AND NATO ALLIES. END SUMMARY.

9. INTRODUCTION:

TWO NEW OBJECTIVES HAVE BEEN ADDED, COORDINATED  
POSITION ON ENERGY AND SOLUTION OF THE KLM ISSUE, TO  
REFLECT THE IMPORTANT ROLE PLAYED BY THE NETHERLANDS  
SECRET

SECRET

PAGE 02 THE HA 01796 02 OF 04 091801Z

IN INTERNATIONAL ENERGY MATTERS AND TO UNDERLINE THE  
IMPORTANCE OF REACHING A SOLUTION OF THE KLM CAPACITY  
QUESTION WITHOUT RANCOR. THE PRIORITY LISTING OF  
STANDING OBJECTIVES HAS ALSO BEEN ADJUSTED TO GIVE  
GREATER PRECEDENCE TO SURINAM AND THE ANTILLES, PUBLIC  
OPINION AND NARCOTICS CONTROL. THE FINAL PARAGRAPH (24)  
CONTAINS RECOMMENDATIONS FOR A BADLY NEEDED LABOR  
REPORTING OFFICER POSITION AND THE MAINTENANCE OF ADEQUATE  
FINANCIAL RESOURCES.

10. CONTINUED DUTCH SUPPORT FOR ATLANTIC ALLIANCE.

ATTAINMENT OF ZQIS OBJECTIVE IS BEING THREATENED BY  
GROWING PRESSURE FROM THE DUTCH LEFT TO QUALIFY IF NOT  
TERMINATE GON PARTICIPATION IN NATO AND TO ELIMINATE DUTCH  
INVOLVEMENT WITH NUCLEAR WEAPONS. FAR LEFT WOULD HAVE  
NETHERLANDS WITHDRAW COMPLETELY FROM NATO. IN ABSENCE OF  
DISRUPTION OF EAST-WEST DETENTE, THERE IS NO PROSPECT  
THAT THIS PRESSURE WILL ABATE. IN FACT, INDICATIONS ARE  
THAT IT WILL GROW, ADDING TO AN ALREADY VISIBLE ESTRANGE-  
MENT BETWEEN FOREIGN AND DEFENSE MINISTERS AND THEIR  
OWN (LABOR) PARTY. ISSUE WILL COME TO A HEAD AT THE LABOR  
PARTY CONGRESS, APRIL 10-12, THE THEME OF WHICH IS THE  
NETHERLANDS' CONTINUED MEMBERSHIP IN NATO. ONE OR TWO

ANTI-NATO RESOLUTIONS MAY BE PASSED BUT THEY WILL HAVE NO BINDING EFFECT ON THIS GOVERNMENT. WHILE THE NATO ISSUE COULD BRING ABOUT, CONCEIVABLY AT A LATER STAGE, THE FALL OF THE GOVERNMENT, THERE ARE RESPONSIBLE ELEMENTS WITHIN THE LEFT AS WELL AS THE CENTER WORKING TO AVERT SUCH A DEVELOPMENT, AND WE CONSIDER IT UNLIKELY. A SUCCESSOR GOVERNMENT WOULD PROBABLY BE MORE SUBJECT TO DICTATES OF THE LEFT THAN THE PRESENT DEN UYL REGIME.

MAINTENANCE OF STRONG DUTCH DEFENSE EFFORT, ALREADY HAMPERED BY GON ADOPTION OF LONG-TERM DEFENSE PLAN WHICH REDUCES DUTCH ABILITY TO MEET NATO COMMITMENTS, IS FURTHER THREATENED BY PRESSURE FROM DUTCH LEFT AGAINST ACQUISITION OF HIGH PERFORMANCE AIRCRAFT TO REPLACE F-104S. EMBASSY HAS BEEN CONDUCTING A MAJOR, COMPREHENSIVE CAMPAIGN IN SUPPORT OF THE SALE OF THE F-16. WE ANTICIPATE A GON DECISION DURING THE SECOND HALF OF APRIL, AND THE OUTLOOK  
SECRET

SECRET

PAGE 03 THE HA 01796 02 OF 04 091801Z

FOR THE F-16 IS GOOD.

US TASK IS TO CONVINCE DUTCH THAT DETENTE IS CONSEQUENCE OF WESTERN UNITY AND STRENGTH, NOT A SUBSTITUTE FOR LATTER, AND THAT CONTINUED COOPERATIVE EFFORTS AND SOLIDARITY AMONG WESTERN NATIONS ARE REQUIRED TO ENSURE THEIR SECURITY.

#### 11. ENCOURAGEMENT OF EXPORTS OF US GOODS AND SERVICES

LATEST US STATISTICS AVAILABLE HERE POINT TO AN INCREASE OF ALMOST 39 PERCENT IN THE 1974 EXPORTS TO HOLLAND OVER 1973, WITH VERY SUBSTANTIAL INCREASES IN AGRICULTURAL PRODUCTS, RAW MATERIALS, CHEMICALS AND MANUFACTURED GOODS. EXPORTS THE PAST YEAR TOTALLED ALMOST \$4 BILLION IN VALUE, THE NETHERLANDS MAINTAINING ITS PLACE AS OUR SIXTH LARGEST EXPORT MARKET. ALTHOUGH DUTCH ECONOMY HAS WEAKENED CONSIDERABLY IN RECENT MONTHS FOLLOWING TREND OF CURRENT WORLD-WIDE RECESSION, IT STILL RATES AS ONE OF THE STRONGEST IN EUROPE. THE UNDERVALUED DOLLAR, COUPLED WITH REDOUBLED GON EFFORTS TO STIMULATE CONSUMER AND BUSINESS SPENDING SHOULD ENABLE US TO MAINTAIN CURRENT MARKET SHARE.

#### 12. MILITARY SALES

WE ARE CLOSE TO SELLING THE GON THREE MAJOR ITEMS OF EQUIPMENT: THE F-16 REPLACEMENT FIGHTER, THE P-3 ORION LONG-RANGE NAVAL RECONNAISSANCE AIRCRAFT AND THE FMC ARMORED INFANTRY FIGHTING VEHICLE. IN THE AGGREGATE THESE SALES HAVE A POTENTIAL VALUE OF CLOSE TO \$1 BILLION

OVER THE NEXT SEVERAL YEARS. THESE SALES WILL NOT ONLY BE OF SUBSTANTIAL IMPORTANCE TO THE US BALANCE OF PAYMENTS BUT WILL HELP TO KEEP THE NETHERLANDS CLOSE TO THE US- AND TO NATO-THROUGH THE USE OF COMMON EQUIPMENT, TRAINING PROGRAMS AND MAINTENANCE FACILITIES. THE US HAS CONTRIBUTED SIGNIFICANTLY TO THE MODERNIZATION OF DUTCH GROUND FORCES THROUGH SALES OF LONG-RANGE LANCE ARTILLERY MISSILES, ADDITIONAL TOW ANTI-TANK MISSILES, AS WELL AS LOGISTICAL SUPPORT FOR ITEMS COMMON TO US AND NATO FORCES. IN CONNECTION WITH THE FLEET MODERNIZATION PROGRAM THE US  
SECRET

SECRET

PAGE 04 THE HA 01796 02 OF 04 091801Z

HAS SOLD OR EXPECTS TO SELL SUBSTANTIAL AMOUNTS OF COMMUNICATION AND ECM EQUIPMENT, THE HARPOON MISSILE AND ANTI-SUBMARINE ROCKETS.

### 13. COORDINATE POSITION ON ENERGY

FROM THE DRAMATIC OIL BOYCOTT PERIOD STARTING IN LATE OCTOBER 1973 THROUGH THE WASHINGTON ENERGY CONFERENCE, TO WHICH THE DUTCH SENT THREE OF THEIR TOP MINISTERS, TO PRESENT PROGRESS IN IEA, GON HAS DEMONSTRATED SOLIDARITY WITH THE US AND OTHER MAJOR CONSUMERS DETERMINED TO DEVELOP A COMMON POLICY ON ENERGY. DUTCH WILL CONTINUE TO HELP US IF WE CONTINUE TO CONSULT THEM. IF WE DO NOT, GON IS NOT LIKELY OUT OF SELF-INTEREST TO OPPOSE US, BUT WE WOULD NOT BE MAKING BEST USE OF OUR OPPORTUNITY TO ENLIST ITS SUPPORT. SENSITIVITY TO BEING LEFT OUT WAS A CLEAR WHEN FONMIN VAN DER STOEL OBJECTED IN OCTOBER TO OUR PREFERENCE FOR DISCUSSIONS OF VARIOUS ECONOMIC SUBJECTS IN GROUP OF FIVE (THE HAGUE 5036). US CONSULTATIONS WITH GON SINCE THEN IN AND OUT OF IEA HAVE REDRESSED MATTERS. ASST. SECRETARY ENDERS' VISIT IN FEBRUARY WAS PARTICULARLY USEFUL. WITH POLITICALLY DIFFICULT DECISIONS ON ALTERNATIVE ENERGY SOURCES STILL TO BE IMPLEMENTED, WE MUST CONTINUE TO KEEP GON INFORMED BEFORE TAKING MAJOR INITIATIVES.

IT SHOULD ALSO BE KEPT IN MIND THAT NETHERLANDS IS IN FORTUITOUS POSITION OF CURRENTLY SUPPLYING HALF ITS TOTAL ENERGY REQUIREMENTS FROM ITS OWN NATURAL GAS AS IT POSSESSES THE LARGEST RESERVES IN WESTERN EUROPE, CONSERVATIVELY ESTIMATED OFFICIALLY AT 95 TRILLION CUBIC FEET (I.E. EQUIVALENT TO ABOUT 17.5 BILLION BARRELS OF CRUDE OIL).

A RELATED SUBJECT IS THE UNCERTAIN OUTCOME OF PARLIAMENTARY VOTE LATE THIS YEAR ON CONSTRUCTION OF THREE NEW NUCLEAR POWER STATIONS. NEGATIVE VOTE WOULD RUN COUNTER TO LOCAL EFFORTS TO LESSEN NETHERLANDS' DEPENDENCE ON

SECRET

NNN

MRN: 1975THE HA001796 SEGMENT NUMBER: 000003 ERROR READING TEXT INDEX  
FILE; TELEGRAM TEXT FOR THIS SEGMENT IS UNAVAILABLE  
ADP000  
SECRET

PAGE 01 THE HA 01796 04 OF 04 091930Z

72  
ACTION EUR-12

INFO OCT-01 ARA-06 ISO-00 SP-02 MMS-01 PER-01 /023 W  
----- 058889

P R 091533Z APR 75  
FM AMEMBASSY THE HAGUE  
TO SECSTATE WASHDC PRIORITY 5644  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY PARIS  
AMEMBASSY LUXEMBOURG  
AMEMBASSY LISBON  
AMEMBASSY LONDON  
AMEMBASSY ROME  
USMISSION NATO  
USMISSION USEC BRUSSELS  
AMCONSUL PARAMARIBO  
AMCONSUL CURACAO

S E C R E T SECTION 4 OF 4 THE HAGUE 1796

20. COORDINATION OF US-ENTHERLANDS APPROACH TO THIRD  
COUNTRIES AND IN INTERNATIONAL ORGANIZATIONS

BECAUSE OF VOCIFEROUS PRESSURE FROM THE LEFT AND  
VIBRANT DUTCH HUMANITARIANISM AND CONCERN FOR HUMAN  
RIGHTS, THE GON HAS BECOME A STRONG PROPONENT OF SUPPORT  
AND ASSISTANCE FOR THIRD WORLD CAUSES. ACCOMPANYING  
THIS IS THE DUTCH PROPENSITY FOR MORALIZING AND PASSING  
JUDGMENT ON THE BASIS OF INFLEXIBLE PRINCIPLES AND PRE-  
CONCEIVED NOTIONS. WHILE US AND NETHERLANDS CONTINUE  
TO WORK CLOSELY TOGETHER IN INTERNATIONAL ORGANIZATIONS,  
THERE IS A GROWING DIVERGENCE IN OUR APPROACHES ON  
CERTAIN ISSUES, BOTH ECONOMIC AND POLITICAL, WITH THE  
DUTCH SOMETIMES CITING THEIR MEMBERSHIP IN THE EC  
FAMILY AS REASON FOR POSITIONS NOT SHARED BY THE US.



BASICALLY, GON HAS TAKEN NEUTRAL VOTING STANCE ON PRG REPRESENTATION IN INTERNATIONAL BODIES, BUT HTERE IS STRONG AND MOUNTING LEFT-WING PRESSURE FOR RECOGNITION

SECRET

SECRET

PAGE 02 THE HA 01796 04 OF 04 091930Z

OF PRG. THE GON SUPPORTS US PEACE EFFORTS IN THE MIDDLE EAST, AND IS SENSITIVE TO US CONCERNS REGARDING THE PLO. THERE ARE A NUMBER OF INSTANCES IN WHICH THE DUTCH HAVE SUPPORTED OR CONTENANCCED THE INJECTION OF POLITICAL ISSUES INTO ECONOMIC/FINANCIAL DELIBERATIONS.

THE US SHOULD CONTINUE TO BRING HOME TO DUTCH THAT ABILITY OF US TO SUPPORT AND FINANCE ACTIVITIES OF INTERNATIONAL ORGANIZATIONS IS DIRECTLY RELATED TO THEIR ADOPTION OF POSITIVE, PRACTICAL PRGRAMS WHICH HAVE NOT BEEN POLITICIZED WITH THRID WORLD ISSUES.

#### 21. EXCHANGES

DUTCH PARTICIPATION IN INTERNATIONAL EXCHANGES IS VOLUMINOUS, ENTHUSIASTIC AND EXPANDING.

OUR IVP PROGRAM, WITH EXCELLENT DEPARTMENTAL SERVIC-ING, IS FLOURISHING. SIX MEMBERS OF THE PRESENT NETHERLAND GOVERNMENT, INCLUDING PRIME MINISTER DEN UYL (1952), HAVE BEEN RECIPIENTS OF IVP GRANTS, AS HAVE LARGE NUMBERS OF IMPORTANT PARLIAMENTARIANS, ESPECIALLY YOUNGER ONES. OUR FULBRIGHT PROGRAM HAS REMAINED STRONG DESPITE INFLA-TION THROUGH INCREASED RELIANCE ON COST-SHARING PROJECTS AND MODEST ANNUAL GRANT INCREASES FROM BOTH GOVERNMENTS (\$110,000 EACH FOR CURRENT YEARL.

#### 22. MAINTENANCE OF ACCOMMODATING CLIMATE FOR US INVESTMENT

US INVESTMENT IN THE NETHERLANDS AT END OF 1973 WAS OVER \$2.3 BILLION AND STILL EXPANDING. ALTHOUGH THE CLIMATE FOR FOREIGN CAPITAL HERE IS GOOD, CONSULTATION BY EMBASSY AND CONSULATES GENERAL WITH AMERICAN BUSINESS PLUS DUTCH GOVERNMENT AND LABOR HELPS MINIMIZE FRICTIONS. PRINCIPAL PROBLEMS SINCE JULY CONCERNED ENVIRONMENT AND UNEMPLOYMENT. THE NEW, LEFTIST MAYOR OF ROTTERDAM HAS SOUGHT TO MAKE AN EXAMPLE OF OXIRANE BY IMPOSING HEAVY FINE FOR COMPANY ALLEGEDLY HAVING PERMITTED NOXIOUS GAS TO EXCAPE INTO ATMOSPHERE. EMBASSU'S TIMELY INTER-VENTION BROUGHT OXIARANE AND CITY TOGETHER FOR TALKS WHICH SHOULD REDUCE IF NOT ELMINATE PENALTY. FOR MANY OTHER

SECRET

SECRET

PAGE 03 THE HA 01796 04 OF 04 091930Z

US FIRMS IN THE NETHERLANDS, RECESSION-CAUSED RETRENCHMENT IS POSING THE PROBLEM OF HOW TO DISMISS WORKERS WITHOUT VIOLATING DUTCH LAWS REGULATING LAYOFFS. SINGER BUSINESS MACHINES BENEFITTED FROM DIRECT INTERVENTION BY GON, WHICH WITH GRANTS, LOANS AND EQUITY PARTICIPATION BROKERED SALE OF COMPANY'S PLANT IN NIJMEGEN IN ORDER TO PREVENT WORSENING OF LOCALLY BAD UNEMPLOYMENT. ALTHOUGH GON STRESSED THAT SINGER CASE WAS NO PRECEDENT FOR GOVERNMENT AID TO BUSINESS, THERE ARE SOME PROPOSALS BEFORE PARLIAMENT TO STIMULATE ECONOMY THAT, IF PASSED, WILL OFFER INDUSTRIES RELIEF. WE WILL TRY TO MAKE US BUSINESSMEN AWARE OF SUCH OPPORTUNITIES WHILE CONTINUING TO HELP THEM RESOLVE PROBLEMS.

#### 23. PROTECTION OF US CITIZENS AND US-OWNED PROPERTY

AMSTERDAM WILL MAINTAIN ITS "SWINGING" IMAGE AND ITS ATTRACTION FOR DRUG USERS. THE CITY HAS STOPPED LETTING ANY AND ALL SLEEP IN ITS PARKS, WHICH MAY ENCOURAGE SOME TO MOVE ON. BECAUSE OF OTHER FACTORS SUCH AS THE LESS FAVORABLE DOLLAR EXCHANGE RATE, HIGH HOTEL COSTS, RECESSION ECONOMIC CONDITIONS IN THE US, ETC., AN INCREASE IN AMERICAN TOURISM OVER THE NEXT 12 MONTHS IS NOT EXPECTED TO OCCUR. BASIC PROTECTION AND WELFARE WORK AT THE TWO CONSULATES GENERAL IS NOT EXPECTED TO INCREASE. INCREASE IN AMERICAN POPULATION DUE TO NORTH SEA DRILLING OPERATIONS WILL PROBABLY ADD TO ROTTERDAM'S WORKLOAD SLIGHTLY. WE ARE STILL HOPEFUL OF DEVELOPMENT ON OUR BUILDING LOT IN ROTTERDAM, VACANT NOW FOR THE 26TH YEAR, A NEW STRUCTURE TO HOUSE THE CONSULATE GENERAL AND OTHER GOVERNMENT-AFFILIATED ENTITIES.

#### 24. RECOMMENDATIONS RE RESOURCES

IN ASSESSING THE EMBASSY'S AVAILABLE RESOURCES VIS-A-VIS ITS PRINCIPAL POLICY OBJECTIVES, RECENT EXPERIENCE MADE MORE EVIDENT THAT WE CANNOT DO OUR JOB ADEQUATELY WITHOUT THE ASSIGNMENT OF AN OFFICER WHOSE PRINCIPAL DUTY WOULD BE TO FOLLOW THE DUTCH LABOR MOVEMENT, ESTABLISH CLOSE, FREQUENT CONTACTS WITH TRADE UNION LEADERS, JOURNALISTS, GOVERNMENT OFFICIALS AND OTHER KEY FIGURES IN

SECRET

SECRET

PAGE 04 THE HA 01796 04 OF 04 091930Z

THE LABOR FIELD AND KEEP THE DEPARTMENT UP TO DATE ON IMPORTANT DEVELOPMENTS AND TRENDS THROUGH SUCCINCT ANALYTICAL REPORTING. WITH THE REDUCTION IN 1973 OF THE POLITICAL SECTION TO A TWO-MAN OPERATION (REDUCED TO ONE OFFICER FOR TWO MONTHS UNTIL POLITICAL COUNSELOR REPLACEMENT ARRIVES), IT IS SIMPLY NOT POSSIBLE FOR THAT SECTION TO MORE THAN DABBLE IN LABOR CONTACTS AND REPORT ON A SPORADIC BASIS. WITH A LEFT-WING GOVERNMENT DOMINATED

BY THE SOCIALIST PARTY IN POWER AND THE OUTLOOK FOR FURTHER MOVEMENT TO THE LEFT, THIS SITUATION MAKES NO SENSE. MOREOVER, THE EMBASSY HAS BEEN UNABLE TO FOLLOW AND EVALUATE THE ATTITUDES AND INVOLVEMENT OF DUTCH LABOR UNIONS IN INTERNATIONAL LABOR ACTIVITIES. WE STRONGLY RECOMMEND AGAIN THAT DEPARTMENT ASSIGN A CAPABLE YOUNG OR MIDDLE-LEVEL OFFICER TO ASSUME THESE ESSENTIAL RESPONSIBILITIES. IF CIRCUMSTANCES DICTATE A REDUCTION IN OUR STAFFS IN VIETNAM AND CAMBODIA, WE HOPE THAT THE DEPARTMENT WILL KEEP OUR NEED IN MIND IN REASSIGNING SUCH DISPLACED OFFICERS. WE EMPHASIZE THAT PRIOR LABOR EXPERIENCE IS NOT ESSENTIAL. DEMONSTRATED APTITUDE FOR CONTACT WORK AND EVALUATIVE REPORTING WILL SUFFICE.

AS REGARDS FINANCIAL RESOURCES, WE ARE GRATEFUL THAT THE FREEZE ON LOCAL TRAVEL WAS RESCINDED AFTER A FEW WEEKS, OTHERWISE THE EFFECT ON OUR COMMERCIAL PROGRAM WOULD HAVE BEEN CRIPPLING. THE SUCCESS OF THE PROGRAM DEPENDS CRUCIALLY ON FREQUENT, REGULAR FIELD TRIPS BY ALL COMMERCIAL OFFICERS AND LOCAL ASSISTANTS AT THE EMBASSY AND THE TWO CONSULATES GENERAL. WE HOPE THEREFORE THAT THERE WILL BE NO SUCH BLACK-OUT OF TRAVEL FUNDS IN FY 76. ON THE POSITIVE SIDE THE EMBASSY HAS ONCE AGAIN BEEN COMMENDED BY THE DEPARTMENT FOR THE EXCELLENCE OF THE SUBSTANTIVE CONTENT AND ADMINISTRATIVE ARRANGEMENTS FOR THE INTERNATIONAL VISITOR PROGRAM. INITIAL ALLOCATIONS AND LATER FALL-OUT FUNDS HAVE IN RECENT YEARS ENABLED US TO SEND SOME 12 OUTSTANDING DUTCHMEN A YEAR ON 30 TO 45 DAY VISITS TO THE UNITED STATES. OUR EXPERIENCE AND OUR ASSESSMENT OF THE PRESENT SITUATION LEAD TO THE CONCLUSION THAT WE COULD ADVANTAGEOUSLY PROGRAM AN ADDITIONAL THREE TO SIX VISITORS A YEAR IF SUFFICIENT FUNDS WERE MADE AVAILABLE.

SECRET

SEC

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975THEHA01796  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750123-0762  
**From:** THE HAGUE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750465/aaaachua.tel  
**Line Count:** 574  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** SECRET  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 11  
**Previous Channel Indicators:** n/a  
**Previous Classification:** SECRET  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:** ANOMALY  
**Review Date:** 09 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 APR 2003 by ShawDG>; APPROVED <14 APR 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ANNUAL POLICY ASSESSMENT, NETHERLANDS  
**TAGS:** OGEN, NL  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006